

RESOLUTION NO. XXX-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH AUTHORIZING THE ISSUANCE OF LIMITED OBLIGATION IMPROVEMENT BONDS, APPROVING AND DIRECTING THE EXECUTION OF A PAYING AGENT AGREEMENT AND A PLACEMENT AGENT AGREEMENT, AUTHORIZING SALE OF BONDS, AND OTHER RELATED DOCUMENTS AND ACTIONS WITH RESPECT THERETO

SECTION 1. Recitals.

1. On July 23, 2019, the City Council (the "City Council") of the City of Hermosa Beach (the "City"), County of Los Angeles (the "County"), State of California, adopted its Resolution No. 19-7203 entitled "A Resolution of the City Council of the City of Hermosa Beach of Intention to Make Acquisitions and Improvements for the Proposed Greenwich Village North Underground Utilities Assessment District" (the "Resolution of Intention"), under the Municipal Improvement Act of 1913, Division 12 of the Streets and Highways Code of California (the "Act"), to initiate proceedings under the Act in and for the City's proposed "Greenwich Village North Underground Utilities Assessment District" (the "Assessment District") for the purpose of acquiring and constructing the improvements (the "Project") described in the Resolution of Intention, consisting generally of the undergrounding of utilities serving the parcels within the Assessment District.

2. By the Resolution of Intention, the City Council provided that improvement bonds would be issued thereunder pursuant to the Improvement Bond Act of 1915, Division 10 of the California Streets and Highways Code (the "Bond Law"), and reference to the Resolution of Intention is hereby expressly made for further particulars.

3. Notice of recordation of the assessment and the opportunity to pay all or a portion thereof was published and mailed in the manner required by law, and after the time so provided for receiving payments of assessments in cash expires, there will be on file with the Finance Manager a list of all assessments that remain unpaid (the "List of Unpaid Assessments").

4. This City Council has completed its proceedings under the Resolution of Intention for the levy of the Assessments, and now intends to provide for the issuance of a series of improvement bonds (the "Assessment Bonds") upon the security of such unpaid assessments, as hereinafter provided.

5. This City Council wishes to sell the Assessment Bonds in a private placement to a bank or financial institution to be selected through a competitive process (the "Purchaser").

6. There have been submitted to this City Council the form of paying agent agreement (the "Paying Agent Agreement") providing for the issuance of the Assessment Bonds and the use of the proceeds of the Assessment Bonds.

7. In accordance with Government Code Section 5852.1, the City Council has obtained and hereby disclosed and made public the information relating to the Assessment Bonds set forth in Appendix A hereto.

8. All conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of the Assessment Bonds and the levy of the Assessments as contemplated by this Resolution and the documents referred to herein exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including the Bond Law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hermosa Beach as follows:

1. Unpaid Assessments. The assessments that remain unpaid are as shown on the List of Unpaid Assessments, which is hereby approved and incorporated herein by this reference. For a particular description of the lots, pieces and parcels of land bearing the respective assessment numbers set forth in the List of Unpaid Assessments, reference is hereby made to the assessment (as set forth in the Engineer's Report described in the Resolution of Intention) and to the

assessment diagram, and any amendments thereto approved by this City Council, all as recorded in the office of the Public Works Director, as Superintendent of Streets of the City.

2. Bonds Authorized. Pursuant to the Bond Law, this Resolution and the Paying Agent Agreement, the Assessment Bonds, designated as the “City of Hermosa Beach Greenwich Village North Underground Utilities Assessment District Limited Obligation Improvement Bonds,” in an aggregate principal amount not to exceed \$4,031,600.00, are hereby authorized to be issued. The date, manner of payment, interest rate or rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms, covenants and conditions of the Assessment Bonds shall be as provided in the Paying Agent Agreement as finally executed.

3. Authorization and Conditions. The Mayor, the City Manager, the Finance Manager, and any other City officer or employee as may be designated by any of the foregoing officers (each an “Authorized Official”) are hereby separately authorized and directed to execute and deliver the various documents and instruments described in this Resolution, provided that the aggregate principal amount of the Assessment Bonds may not exceed \$4,031,600.00, and the true interest cost of the Assessment Bonds may not exceed 6.00%.

4. Paying Agent Agreement. The proposed form of Paying Agent Agreement with respect to the Assessment Bonds in the form presented to this City Council at this meeting, is hereby approved. Each Authorized Official is hereby authorized and directed to cause the Paying Agent Agreement to be completed and executed on behalf of the City in substantially said form, with such additions thereto or changes therein as are necessary or advisable and approved by the Authorized Official upon consultation with Jones Hall LLP, the City’s bond counsel (“Bond Counsel”), subject to the conditions contained in Section 3 above. The approval of any such additions or changes shall be conclusively evidenced by the execution and delivery of the Paying Agent Agreement by an Authorized Official.

5. Sale of Bonds. The sale of the Assessment Bonds to the Purchaser is hereby approved, subject to the conditions contained in Section 3 above.

6. Bonds Prepared and Delivered. Following the adoption of this Resolution, the Assessment Bonds shall be prepared, authenticated and delivered, all in accordance with the applicable terms of the Paying Agent Agreement, and each Authorized Official and other responsible City officials are hereby authorized and directed to take such actions as are required under the Paying Agent Agreement to complete all actions required to evidence the delivery of the Assessment Bonds to the Purchaser upon the receipt of the purchase price thereof from the Purchaser.

7. Placement Agent. This City Council hereby approves the appointment of Hilltop Securities Inc. as placement agent (the "Placement Agent") in connection with the offering and sale of the Assessment Bonds. The proposed form of Placement Agent Agreement between the City and the Placement Agent, in the form presented to this City Council at this meeting, is hereby approved. Each Authorized Official is hereby authorized and directed to cause the Placement Agent Agreement to be completed and executed on behalf of the City in substantially said form, with such additions thereto or changes therein as are necessary or advisable and approved by the Authorized Official.

8. Official Actions. All actions heretofore taken by the officers and agents of the City with respect to the establishment of the Assessment District and the sale and issuance of the Assessment Bonds are hereby approved, confirmed and ratified, and the appropriate officers of the City are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Assessment Bonds in accordance with this resolution, and any certificate, agreement, and other document

described in the documents herein approved. All actions to be taken by an Authorized Official may be taken by such Authorized Official or any designee, with the same force and effect as if taken by the Authorized Official.

9. Effective Date. This resolution shall be effective immediately. The City Clerk shall certify to the passage and adoption of this Resolution; shall cause the original of the same to be entered among the original resolutions of the City Council; and shall make a minute of the passage and adoption thereof in the minutes of the City Council meeting at which the same is passed and adopted.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Hermosa Beach on this 22nd day of July, 2025.

PRESIDENT of the City Council and **MAYOR** of the City of Hermosa Beach, California

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

APPENDIX A

Government Code Section 5852.1 Disclosure

The following information consists of estimates that have been provided by the Municipal Advisor to the City, which have been represented to have been provided in good faith:

(A) True Interest Cost of the Assessment Bonds: 5.5195%

(B) Finance Charge of the Assessment Bonds (Sum of all fees/charges paid to third parties):
\$207,500

(C) Net Proceeds to be Received (net of finance charges, reserves and capitalized interest, if any):
\$3,739,027.54

(D) Total Payment Amount Through Maturity: \$6,744,691